



Report to the Governor and Legislature

California Maritime Security Council

SUBMITTED BY
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TO ARNOLD SCHWARZENEGGER, GOVERNOR
STATE OF CALIFORNIA

TO THE LEGISLATURE
NOVEMBER 1, 2008

I am pleased to provide you with the second comprehensive annual report on how the California Maritime Security Council (CMSC) is carrying out its mission as an advisory body to the Governor in matters related to Maritime Security.

The CMSC continues the support of an open and integrated, multi-layered maritime security architecture, that maximizes the abilities of the maritime community to prepare, protect, prevent, quickly respond to and recover from natural and intentional disasters. Through the utilization of the business model, ports will be better poised to save lives, preserve the environment, and sustain continuity of operations and business operations in the all-hazards environment, as stated in the State Maritime Security Strategy.

The security of California's maritime assets depends on the coordination and cooperation of the entire maritime community, including: ports, harbors and ferry terminal operators. Collaboratively sharing best practices and information will promote greater understanding and greater efficiency in planning efforts and the identification of resources.

The Governor established the CMSC on October 12, 2006, through Executive Order S-19-06 to address the need for expanded coordination and collaboration among the federal, State and local governments and private sector at our ports. The CMSC provides assistance to California's maritime community by developing and facilitating partnerships with multiple agencies (federal, and local), private sector business and industry to enhance the State's maritime security. In the implementation of our strategy to protect ports and the maritime community, California will support the National Preparedness efforts and promote maritime domain awareness. The CMSC strategy will serve as a guide to state, local, port, and business leaders.

The subcommittees continue the diligent work to carry out the Council's Charter, by reviewing and refining an integrated strategy that maximizes the abilities of California's maritime community to use an all-hazards approach to prepare, prevent, and respond to, and recover from disasters and sustain continuity of operations, and business operations.

This has been a year of tremendous progress and achievement for the CMSC. These accomplishments would not be possible without our port partners at the Federal, State, local levels, and with our partners in the private sector.

Sincerely,
Matthew Bettenhausen

A handwritten signature in black ink, reading "Matthew Bettenhausen". The signature is fluid and cursive, with the first name "Matthew" and last name "Bettenhausen" clearly legible.

Director, Governor's Office of Homeland Security
Chairman, California Maritime Security Council

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OVERVIEW

The California Maritime Security Council (CMSC), created by Governor Schwarzenegger's Executive Order S-19-06 effective October 12, 2006, which required the Director of the California Office of Homeland Security (OHS) to convene and chair the CMSC to enhance port security through statewide collaboration and information sharing. The CMSC was created after review by the Schwarzenegger Administration and OHS based on reports published by the Rand Corporation and the Public Policy Institute of California that underscored the importance of California's ports and the devastating impact a catastrophic event would have on the State and the nation. During the past year, membership has been expanded to include the California Department of Fish and Game, and subject matter experts on the California Goods Movement Plan from the California Business, Transportation, and Housing Agency.

BACKGROUND

California's ports remain of vital importance to the State's economy as well as the nation's economic health. California ports continue to handle nearly half of all the container port traffic in the United States. Our ports are also among the nations largest in processing other domestic and international commodities. The security of California's seaports remains a top priority for the Schwarzenegger Administration. Over the past year continuous actions have been taken to enhance Federal, State and local initiatives, and to secure our ports.

Since its inception in 2007, the CMSC has worked to improve statewide collaboration and information sharing and to identify areas where enhanced coordination will benefit the maritime security sector, emergency response and communications. The Council continues to support programs to prevent the occurrence of a man-made catastrophe, for implementing continuing processes to mitigate the consequences of a terrorist attack or natural disaster at a port, should one occur.

The CMSC is comprised of top officials from Federal, State, and local agencies, as well as Executive Directors, Port Security Directors and representatives from the labor and business communities from the California ports. California continues to lead the nation in port security advancements through the development of the CMSC and other collaboration activities.

The specific responsibilities of the CMSC include, advising the Governor on: identifying potential threats, improving security measures, procedures, and communications; coordinating contingency planning; coordinating information sharing; conducting training exercises; developing a statewide maritime security strategy; and preparing to quickly recover from a catastrophic event at a California port.

PLANNING & DEVELOPMENT

During the past year, the CMSC in its role as an advisory body to the Governor, has provided recommendations to OHS from State, local, and business leaders and workers in developing a comprehensive all-hazards approach to address preparedness, mitigation, planning, response to, and recovery from an event at a California port.

State Maritime Security Strategy

The security of California's maritime community rests on the coordination and cooperation of all of California's ports. On April 25, 2008, the CMSC unanimously approved the California State Maritime Security Strategy. This State Strategy outlines California's forward-looking plan for maritime security through three key components:

1. Establishes a State strategy to allow state, local, and private sector officials to prioritize the investment in resources and efforts to strengthen the security posture at our ports to prevent incidents and develop resilience in operations so they can quickly recover in the aftermath of disruptive events.
2. Coordinates the security strategies of California's 11 commercial ports to develop base-line and escalating security measures and resources while also recognizing the uniqueness and special needs of each port.
3. Provides technical assistance to the ports in developing their own operational security strategy that meets the state and federal requirements, and is tailored to the unique nature of each port. Operational and tactical plans for security remain with the individual ports in support of the overall State strategy.

Each of California's eleven ports is unique, and is responsible for the design and implementation of security programs providing for the safety of their port, employees, visitors, and residents of surrounding communities. Security programs include continuous planning to ensure business continuity and resumption, along with plans to minimize the impact of an event. Each port continues working on an integrated security program that minimizes the undue risk of disruption of service and maximizes the ability of the port to resume and/or continue operations in support of the State and nation.

Terrorism Liaison Officer Program

Training for the Terrorism Liaison Officer Program is undertaken in coordination with the Federal Law Enforcement Training Center (FLETC). OHS, working with our port partners, were successful in the development of the training curriculum of the Basic 1-day TLO Training Course, and is continuing coordination with the California Commission on Peace Officer Standards and Training (POST) on course redesign to fit the Maritime Community of Interest needs for TLOs. The curriculum has received US-DHS approval.

Full Spectrum Integrated Vulnerability Assessments

To improve the security and deter terrorist attacks, OHS' Critical Infrastructure Protection Division (CIP) coordinated for Full-Spectrum Integrated Vulnerability Assessment (FSIVA) teams to survey all eleven California ports. The partnership of OHS, FSIVA, and Lawrence-Livermore National Labs' Homeland Defense Operational Planning System (HOPS) was

designed to provide guidance to each of the ports on risk management information for the purpose of multi-layered security and disaster planning in publicly/private owned ports, harbors, and ferry facilities. To do this, OHS entered into an interagency agreement with the California Department of the Military to utilize the expertise of the FSIVA/HOPS teams.

Assessments are conducted by specially trained National Guard personnel with expertise in physical security, terrorism, cyber security, and critical infrastructure protection, with technical expertise provided by HOPS personnel. The surveys consist of an assessment of a port's physical vulnerabilities, as well as the efficacy of the port's security procedures. The results will be submitted to executive directors, port security directors, local law enforcement representatives, port police, and fire departments.

The assessments began in May 2008 and will conclude in March 2009. Assessments have been completed on the following ports:

- Port of San Diego
- Port of San Francisco
- Humboldt Bay Harbor District
- Port of Sacramento
- Port of Hueneme
- Port of Richmond

Assessments will be completed on the remaining ports as shown below by March 2009:

- Port of Stockton
- Port of Oakland
- Port of Los Angeles
- Port of Long Beach
- Port of Redwood City

Underwater Scanning/Mapping Specifications

During the July 25, 2008 meeting, the CMSC was provided a presentation from the Director, Oceanography Operations for Mine Warfare (DOOM), and the National Oceanic and Atmospheric Administration (NOAA), regarding the specifications of side-scan sonar surveys. The Bottom Scanning Survey Process involves side-scan multi-beam sonar to judge the seascape terrain levels, and the presence of navigation hazards and clutter at the bottom of harbors. The system uses change detection software to detect anomalies in harbor bottoms, including potential navigational hazards, mines, and IEDs. Scanning is undertaken by a private contractor, and requires that terrain maps be refreshed on a regular basis.

OHS will continue coordination with NOAA in terms of data exchange and processing and the collaboration for the development of an execution strategy to ensure the seamless ingestion, analysis and assimilation of data from California ports.

The technical specifications for port and harbor surveys in support of maritime homeland defense are used both by the U.S. Navy and NOAA. OHS has tasked the Science and

Technology Subcommittee to research the technical standards for underwater mapping and provide a recommendation on adopting these standards for all of the California ports.¹

Charter

The Charter of the CMSC was reviewed and a formal governance structure was approved on July 25, 2008. As part of the adoption of the governance structure, the charter was extended until March 2010.

The CMSC subcommittee structure and subcommittee membership criteria are currently being reviewed by the Chairs and Co-Chairs of the CMSC subcommittees, with the goal of enhancing cooperation and coordination between subcommittee members. These potential changes will ideally streamline the decision-making process, and aid in the CMSC's advisory role to the Governor and the California Legislature.

Subcommittees

The subcommittees of the CMSC continue coordination and collaboration to focus on accomplishing the goals and objectives as outlined in the Executive Order and the 2007 State Maritime Security Strategy.

- **State Maritime Security Strategy**
This subcommittee is focusing on refining and implementing a statewide maritime security strategy. Issues being addressed include training, evacuation and catastrophic planning, establishing criteria to guide project prioritization, and setting baseline operational and procedural security measures to coordinate with Maritime Security (MARSEC) levels and the Homeland Security Advisory System. The Strategy subcommittee has also explored restructuring the CMSC's subcommittees to increase horizontal cooperation and coordination, while also enhancing vertical integration by way of providing centralized guidance for subcommittee Chairs.
- **Legislation and Grants**
This subcommittee continues to review and monitor legislation and grants that impact the maritime sector, advocating for legislation that supports and furthers the State's maritime security efforts, and exploring opportunities for leveraging funding. The Legislation and Grants subcommittee continues its work to improve funding requirements to better meet the needs of the ports, including the development of a "California Model" for Federal port funding, and more efficient ways to expend the Proposition 1B grants. The subcommittee is also working with OHS to coordinate a trip to Washington DC to articulate the concerns and needs of the California port and maritime industry to policy makers.
- **Information Sharing**
This subcommittee focuses on strengthening information sharing capabilities among

¹ Standards can be found in Department of the Navy NAVMETOCCOMINST 3142A, dated May 1, 2007, issued by Commander, Naval Meteorology and Oceanography Command.

federal, state and local agencies and explores issues, including expanding and developing fusion centers and an early warning system. This subcommittee is also working on improving statewide collaboration and information sharing to identify potential maritime threats. During 2008, the Information Sharing subcommittee assisted in the development of a Terrorism Liaison Officer (TLO) training course for maritime law enforcement personnel, and began constructing Concept of Operations (CONOPS) for information sharing among maritime entities.

- **Science and Technology**
This subcommittee focuses on expanding and establishing partnerships with national laboratories, universities, research centers, and federal, State and local agencies to improve our maritime science and technology capabilities. The subcommittee is reviewing and assisting in development of the implementation plan for the Maritime Strategy. The subcommittee also continues to work with the other subcommittees to develop a process to share best practices and information on emerging technologies.
- **Training and Exercise**
This subcommittee is working to enhance existing port training and exercise programs to streamline coordination among participating agencies, identify gaps in training, and develop additional courses as needed. The committee reviews after-action reports and lessons learned to develop a best practices knowledge base. In 2008, the subcommittee continues to work on plans for an annual statewide exercise that will focus on port and maritime response and recovery that will align with the national level exercise taking place in FEMA Region IX in 2010.
- **Transportation Workers Identification Credential (TWIC)**
This subcommittee continually monitors program progress and provides recommendations to the CMSC and the Legislation and Grants subcommittee on implementation of the Federal government's Transportation Worker Identification Credential (TWIC) program. During 2008, the California ports working with TSA commenced enrollment in the program. The new deadline for enrollment is April 15, 2009. OHS provides TWIC updates on a weekly basis to all port security directors.
- **Recovery and Reconstitution**
This subcommittee provides recommendations on ways to enhance our ability to recover from all-hazard events, establish incident management protocols, and share best practices and procedures for timely restoration of operations. Additionally, this subcommittee is developing a strategy to enhance timely recovery from all-hazards incidents and reconstitute essential services by sharing resources, exercising potential emergency authority, maintaining critical operations and fulfilling essential functions through a coordinated incident management system. A major component of the planning of this subcommittee is the California Goods Movement Plan.

Each subcommittee is led by a chair and co-chair and consists of senior managers and subject-matter experts from private and public sectors who share maritime security responsibilities.

Funding

The CMSC and its members continue to identify potential funding sources and have collaboratively prioritized investments to leverage our maritime security across this complex and interdependent system of ports.

US-DHS Infrastructure Protection Program: Port Security Grant Program

The US-DHS Infrastructure Protection Program is a primary funding mechanism to strengthen the Nation's ability to protect critical infrastructure ranging from nuclear facilities to mass transit systems to seaports. The Federal Port Security Grants specifically provide funding to reduce the risk of successful attacks against critical port facilities.

The priority investments using Federal Port Security Grants include projects to prevent the use of IEDs and establish better perimeter security. The funding also has been used to increase situational awareness, and deploy security improvements such as fencing, cameras, and lighting. Investments have also been made to better coordinate planning activities for the prevention, preparedness, response and recovery capabilities by co-locating local, state and federal public safety agencies in joint operation centers. Funds are also being used to determine the best technology and business processes to successfully implement TWIC.

FEMA announced the change regarding eligible grant expenses for FY2007 grants, FY 2007 Supplemental Grants, and FY 2008 grants. The repair and/or replacement of parts or equipment that will be used to support Port Security Grant Programs (PSGP) is now an eligible expense for Federal funds. Maintenance agreements and warranties for parts and equipment originally purchased with PSGP funds remain allowable expenses, excluding those purchased before the grant award date or extending beyond the period of performance for the grant award.

The Schwarzenegger Administration and OHS remain heavily involved in securing from Congress and US-DHS additional Federal funds for port security. OHS continues to coordinate with the Executive Directors of California ports, their Port Security Directors, and the California Association of Port Authorities. Under the leadership of OHS, recommendations are made to representatives from US-DHS, TSA, USCG, and FEMA to coordinate the State's port security activities with our Federal partners and elected officials from California and the respective House and Senate subcommittees on homeland security.

California Port and Maritime Security Grant Program

Proposition 1B provides California's ports, harbors, ferryboat and ferry terminal operators with \$100 million in grants. As the administrative agency for the California Port and Maritime Security Grant Program (CPMSGP), OHS created, within its office, the California Port and Maritime Security Grant Program Unit. This unit is responsible for the development of program guidelines and an application kit to provide eligible applicants with the guidance, information and documents necessary to participate in the CPMSGP, as well as hold public hearings on the guidelines, and the allocation of funding.²

² Derived from the *OHS Report to the Governor and Legislature: Proposition 1B Port Security Grant Expenditures*, submitted to the Governor and the Legislature.

Program Guidelines

In keeping with the goals and objectives outlined in the National Strategy for Maritime Security, the California Homeland Security Strategy, the California Maritime Security Strategy, and the statutory language of Prop 1B and SB 88, OHS developed draft program guidelines defining applicant eligibility, eligible funding activities, and application processes for the submission of investment justifications. Subsequent to public comment consideration, OHS issued the draft program guidelines on September 1, 2007, which were then disseminated to publicly owned ports, harbors, ferryboat and ferry terminal operators, and to the general public. Once the guidelines were distributed and public notice posted, a hearing was convened on September 13, 2007, to receive public comment.

The final program guidelines were issued on November 9, 2007, and provide, in accordance with Prop 1B, that investments may include, but are not limited to: video surveillance equipment; explosives detection technology devices; cargo scanners; radiation monitors; thermal protective equipment; site identification instruments capable of providing a fingerprint for a broad inventory of chemical agents; overweight cargo detection equipment, and; the development of disaster preparedness or emergency response plans. In addition, California's strategic investment of Prop 1B moneys provides the ports with a funding stream to: 1) assist in carrying out federally mandated programs such as the Transportation Workers Identification Credential (TWIC) program; 2) allow ports to better meet federal requirements to be eligible for additional federal funding; and, 3) enable ports to match funds on existing and future federally funded projects.

Peer Review

On February 6, 2008, OHS convened a Peer Review Panel, comprised of Port Security Directors who participate in the CMSC, to evaluate the ports' investment justifications for funding, and to make recommendations to OHS. This evaluation process was guided by the statutory language of SB 88 requiring OHS to: address the state's most urgent maritime security needs; balance the demands of the various ports (between large and small), and provide reasonable geographic balance in the distribution of funds.

The second round of Proposition 1B funding, will continue the investment of \$60 million in port security grants over a three year period.

2008 ACCOMPLISHMENTS

The full CMSC met three times during the period of 1 November 2007 to the time of writing, while subcommittees have met on a quarterly basis. The final calendar year 2008 meeting will be held on November 18, 2008 in Long Beach, CA, to run concurrently with the 2008 U.S. Maritime Security Expo. During this time, the CMSC has accomplished the following:

- ☑ The CMSC met on December 14, 2007 in Sacramento, California on during which members received subcommittee reports of activities to date.
- ☑ The CMSC convened on April 25, 2008 in Sacramento, during which the members approved the State Maritime Security Strategy and received subcommittee reports of activities to date.
- ☑ The CMSC convened on July 25, 2008 in Sacramento, during which the members approved the CMSC Governance Structure, and extended the CMSC Charter through March 2010. At this meeting, the CMSC also added the California Department of Fish and Game as a Council member.
- ☑ Established coordination with the Business, Transportation, and Housing Agency (BTH) for work on the Recovery and Reconstitution subcommittee. BTH brings experience in business resumption as reflected in the State's Goods Movement Plan.
- ☑ The development of a maritime Terrorism Liaison Officer (TLO) training program.
- ☑ OHS coordinated for a FSIVA Team to assess all eleven California ports.
- ☑ The Science and Technology Subcommittee is currently researching the suitability of the technical standards of the U.S. Navy and NOAA for possible adoption by the California ports.
- ☑ The port security directors provided input to the OHS Grants Management Division for the development of grant guidance for the second round of Proposition 1B funding made available during 2008.
- ☑ OHS established a schedule for CMSC meetings in 2009. Meetings will be held in February, May, August, and December.

ATTACHMENT I- Port Security Investments Using Proposition 1B Funds

Port security investments for Prop 1B California Port & Maritime Security Grant Program.

- Humboldt Harbor \$586,500 to retain a consultant to review and update a port-wide security threat assessment and coordinate with the interagency port security team, and to purchase necessary computer hardware and cameras.
- Port Hueneme \$2,461,848 to use a newly developed 'state of the art' virtual survey system to employ a 'tactical survey' of existing infrastructure to enhance maritime domain awareness; for the purchase of backup power for critical emergency operations; for filling gaps and enhancing existing protection of critical infrastructure through perimeter barrier and surveillance; and; for collaboration with regional port security stakeholders in the planning and design of a Joint Port Operations and Security Center.
- Port of Long Beach \$8,368,345 for the integration of a Joint Command and Control Center to enhance and expand security by integrating multiple stakeholder systems; for the development of a Disaster Recovery Center in order to maintain real time data collection through remote sites and to maintain operations in the event of an emergency; for thermal imaging surveillance equipment that will record images on port vessels and transmit the data to the Joint Command and Control Center; for landside security to monitor and predict truck movement through radio frequency identification (RFID) and to validate routes and cross reference truck operations against normal operations; and; for the purchase of an audible and visual public address system to notify people with emergency information.
- Port of Los Angeles \$10,066,000 for a multi-agency boat mooring facility; for the creation of a multi-agency vehicle inspection facility to allow vehicle inspection by various law enforcement agencies; for the acquisition of an Automated Law Enforcement and Emergency Responder Resource Tracking System ALERTS – which will deploy a state-of-the-art resource tracking system for law enforcement and first responders, and; for the development of a curriculum to provide training to law enforcement operating in a maritime environment.
- Port of Oakland \$ 3,800,000 for the purchase of a RFID and Reporting System to track trucks within the port and on marine terminals - captured information will provide necessary alerts of suspicious activity.
- Port of Redwood City \$ 451,480 for the enhancement of an Emergency Operations Center; for the purchase of vital equipment for emergency response capabilities; for the design of mobile command post trailers, and equipment training; for the procurement and installation of an intrusion detection system; for the purchase of vehicles and necessary equipment to support maritime domain awareness and vulnerability mitigation; for additional maritime security, emergency response training, and facility security plan service; for a vulnerability assessment, and; for the funding of operations and maintenance costs associated with the deployment of security equipment.

- Port of Richmond \$3,404,507 for a security lighting upgrade through the installation of new dark sky high mast security lighting to improve perimeter security and cargo security, and for an intrusion detection and reporting system upgrade that will provide effective coverage of all regulated facility perimeters.
- Port of Sacramento \$1,026,728 for an interoperable communication system conversion to a web-based format and the establishment of alternative port-site interoperability; for the purchase of a mobile trailer video surveillance system to provide monitoring; for the purchase of a patrol response boat to improve response capabilities; for the purchase of a public address and emergency notification system to efficiently and effectively protect life and property in the event of an emergency; for the installation of a ground-based radar surveillance system that will interface with the port's current surveillance system; for main gate modifications to reduce vulnerabilities; and; for a camera system upgrade and an improvement of fiber optic camera systems.
- Port of San Diego \$2,550,000 to develop and install a fiber optic broadband infrastructure; for the purchase of permanently mounted "in car" video camera systems to record suspicious vehicles and persons and compare it to criminal and terrorist databases; for the procurement of Chemical, Biological, Radiological, Nuclear or Explosives (CBRNE) detectors that would be permanently mounted on harbor patrols vehicles; for the acquisition of automated license plate readers allowing continuous and simultaneous reading of multiple license plates and immediate comparison with a suspicious vehicle computer database; and; for the purchase of emergency generators to support power requirements for security and public safety assets.
- Port of San Francisco \$3,117,512 to meet a 25 percent match requirement for two projects funded by the federal 2007 Port Security Grant; for the installation of high security fencing; for the implementation of the first phase of a port-wide closed circuit television camera system; for the construction of security guard booths to improve perimeter security; and; for the installation of a lighting system to improve cargo, passenger, and pedestrian security.
- Port of Stockton \$4,167,080 to purchase emergency backup power to provide emergency electricity; for the creation of a secure facility where cargo delivered by ship, rail, and truck, can be stored and suspect cargo inspected away from critical areas of the port; and; for a 5-year security assessment - contracting for expert risk and recovery evaluations and utilization of findings to develop a plan to guide spending on preparedness.